

INFORMATION BULLETIN

2006-1

February 22, 2006

Moratorium Regarding the Issuing of Shares of Capital régional et coopératif Desjardins

Capital régional et coopératif Desjardins is an investment company with the mission of marshalling venture capital for the resource regions of Québec and the cooperative sector.

Since its creation on July 1, 2001, the government's participation in the growth of this investment company has amounted to almost \$287.5 million,¹ for authorized capital of \$575 million as at February 28, 2006.

Because of the rate at which this investment company's authorized capital can increase, i.e. \$150 million per capital-raising period, an increase in the government's participation of \$75 million can be expected for the capital-raising period beginning next March 1.

In each of the last three years, the government has intervened to limit the increase in the authorized capital of Capital régional et coopératif Desjardins. Such ad hoc interventions can affect its development outlook. Accordingly, a longer-term solution is needed to ensure the stable development of Capital régional et coopératif Desjardins.

However, since budgetary decisions are not yet finalized, a moratorium will be applied, in the meantime, to maintain the authorized capital of Capital régional et coopératif Desjardins at \$575 million.

For information on the subject of this Information Bulletin, contact the Secteur du droit fiscal et de la fiscalité at (418) 691-2236.

The French and English versions of this bulletin are available on the website of the ministère des Finances at: www.finances.gouv.qc.ca

Paper copies are also available, on request, from the Direction des communications, at (418) 528-9323.

¹ A non-refundable tax credit equal to 50% of the amount invested, up to \$2 500 per year, is granted to individuals who become shareholders of Capital régional et coopératif Desjardins.

